
UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF TEXAS

United States of America,

Plaintiff,

versus

Jack Yetiv, Individually; and
Treimee Corporation,

Defendants.

§
§
§
§
§
§
§
§
§
§
§

Civil Action H-11-3749
(CDCS Number: 2008A41641)

Complaint

1. *Jurisdiction.* The district court has jurisdiction because the United States is a party. *See* U.S. CONST., art III, § 2, and 28 U.S.C. § 1345.

2. *Venue.* Defendant, Jack Yetiv, resides in Harris County, Texas, and may be served with process at 10226 Helmsdale, Houston, Texas 77043. Defendant TREIMEE Corporation, a Texas Corporation, whose principal place of business was in Harris County, Texas may be served by serving its president and registered agent Jack Yetiv at 10157 Westview Drive #20563 or at 10226 Helmsdale, Houston, Texas 77043.

3. This civil action is brought by the United States of America pursuant to the Federal Debt Collection Procedures Act of 1990, 28 U.S.C. § 3001 *et seq.* to enforce a Decision issued by the U.S. Department of Housing and Urban Development ("HUD") imposing civil monetary penalties against TREIMee Corporation in the amount of \$50,000.00, and against Jack Yetiv and TREIMee Corporation, jointly and severally, in the amount of \$20,000.00. The Initial Decision of the HUD Office of Administrative Law Judges is attached as Exhibit 1. Defendants appealed the Department's decision to the 9th Circuit of Appeals, and were denied relief. See Exhibit 2.

4. On September 2, 2003, pursuant to 12 U.S.C. §1735f-15(d)(3) and 24 C.F.R. § 30.80,

the Department of Housing and Urban Development (HUD) issued an Initial Decision imposing civil monetary penalties in the amount of \$50,000.00 against TREIMee Corporation, and against TREIMee Corporation and Jack Yetiv, jointly and severally, in the amount of \$20,000.00. See Exhibit 1.

5. The civil monetary penalties were imposed because TREIMee failed to file annual financial reports with HUD. Yetiv has personal liability since he was the president of TREIMee in 2001 and 2002 and 12 U.S.C. §1735f-15(c) was amended effective December 6, 2001 to impose individual liability upon officers and directors of corporations. As stated in the ALJ's Initial Decision:

... the 1989 amendments to the Act [12 U.S.C. §1735f-15(c)] conferred jurisdiction on the Secretary to impose civil money penalties on certain corporate mortgagors and the 1997 amendments gave the Secretary explicit jurisdiction to make officers and directors of such corporate mortgagors personally liable for civil monetary penalties.

The Administrative Law Judge concluded:

Because Respondent Yetiv was the President of Respondent Corporation in 2001 and 2002, the Secretary has jurisdiction under the 1997 amendments to the Act to impose civil money penalties upon him as an officer of Respondent Corporation for the corporation's failure to file a financial report covering fiscal year 2001.”

See Exhibit 1, p. 9-10.

6. By its terms, the Initial Decision required Defendants to make payment within 10 days of the date on which the Initial Decision and Order became final.

7. On October 1, 2003, both Jack Yetiv and TREIMee Corporation filed separate Petitions for Secretarial Review. On November 13, 2003, Frank Jimenez, Secretarial Designee, Office of the Secretary, Department of Housing and Urban Development, issued an Order denying both Petitions for Secretarial Review. See Exhibit 3.

8. Pursuant to 12 U.S.C. §1735f-15(e)(1), Defendants sought review of the monetary

penalties in the Ninth Circuit Court of Appeals. On September 20, 2007, the Ninth Circuit Court of Appeals issued an Opinion affirming HUD's administrative decision. See Exhibit 2.

9. Demands for payment in full were made upon TREIMee Corporation and Jack Yetiv, to no avail.

10. No payments have been received and there is presently due and owing \$50,000.00 by TREIMee and \$20,000.00 by TREIMee and Yetiv jointly and severally.

11. The United States seeks attorney's fees and other expenses pursuant to 12 U.S.C. §1735f-15(f).

12. The Secretary of the U.S. Department of Housing and Urban Development is entitled to enforce its Decision, 12 U.S.C. §1735f-15(f).

WHEREFORE, the United States of America prays for judgment in its favor and against TREIMee Corporation and Jack Yetiv, awarding the United States of America the principal sum of \$50,000.00 against TREIMee and a principal sum of \$20,000.00 against TREIMee and Yetiv, jointly and severally, plus attorney's fees and other expenses pursuant to 12 U.S.C. §1735f-15(f), interest from date of judgment until paid in full at the rate provided by 28 U.S.C. §1961(a), and costs.

The United States of America further prays for any further relief that the court may deem proper.

Respectfully submitted,

CERSONSKY, ROSEN & GARCÍA, P.C.

By: /s/ M. H. Cersonsky

M. H. Cersonsky, TBN: 04048500
1770 St. James Place, Suite 150
Houston, Texas 77056
Telephone: (713) 600-8500
Fax: (713) 600-8585

Attorney in Charge
Private Counsel for the United States of America